

## Message Text

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FM AMEMBASSY KINSHASA

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C O N F I D E N T I A L KINSHASA 7118

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FOR AF/C

E.O. 11652: GDS

TAGS: EFIN, ECON, CG, US

SUBJECT: IMF MISSION

REF: STATE 179625

1. BISENGIMANA TOLD ME AT OUR LAST MEETING TO CALL HIM BACK JULY 31 RE IMF INVITATION, ON ASSUMPTION MOBUTU WOULD RETURN THAT DATE FROM KAMPALA. MOBUTU HAS NOT RETURNED, BUT WITH VANCE MESSAGE PER REFTEL IN HAND, I BELIEVE I CAN GET AN APPOINTMENT WITH BISENGIMANA MORE OR LESS WHEN I WANT.

2. I BELIEVE WE SHOULD TAKE ADVANTAGE OF THIS FLEXIBILITY IN TIMING TO CONSIDER WHAT I PERCEIVE AS THE TACTICAL FRAMEWORK WITHIN WHICH WE ARE OPERATING. TO BEGIN WITH, I RECALL THAT UNTIL VERY RECENTLY BISENGIMANA HAS BEEN OPPOSED TO THE IMF SOLUTION, AND I RECALL THAT MOBUTU HAS, UNTIL RECENTLY, INSISTED THAT IMF CONSULTATIONS COULD NOT COME BEFORE SEPTEMBER. WE HAVE WONDERED WHY SEPTEMBER WAS A MAGIC TIME AND WE HAVE BEEN PERPLEXED AT BISENGIMANA'S OPPOSITION IN THE FACE OF HIS OWN FAILURE TO RAISE ADEQUATE BILATERAL LOANS. I HAVE JUST LEARNED  
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SOMETHING FROM A ZAIRIAN WITH EXCELLENT SOURCES IN BOTH THE

CENTRAL BANK AND THE PRESIDENCY WHICH SHEDS LIGHT ON THIS QUESTION.

3. SAMBWA'S TERM AS GOVERNOR OF THE CENTRAL BANK RUNS OUT IN SEPTEMBER AND BISENGIMANA'S CANDIDATE FOR THE GOVERNOR'S JOB AT THAT TIME IS BOKANA, HIS OWN TRUSTED AIDE. WHEN I LEARNED THIS, THE SIGNIFICANCE OF THE STRUGGLE WE HAVE BEEN WATCHING BETWEEN BISENGIMANA AND SAMBWA SEEMED TO BECOME APPARENT. SAMBWA WAS FIRST OFF THE MARK TO MOBUTU WITH THE IMF SCENARIO, AND AT THE SAME TIME PROBABLY INFERRED THAT MOST OF ZAIRE'S ECONOMIC PROBLEMS WERE DUE TO BISENGIMANA'S POOR MANAGEMENT. BISENGIMANA PROBABLY BLAMED SAMBWA FOR THE FINANCIAL MESS, AND ARGUED AGAINST THE IMF SOLUTION MAINLY BECAUSE IT WAS SAMBWA'S PROPOSAL AND IF IT WORKED, SAMBWA WOULD GET THE CREDIT FOR SAVING THE DAY SINCE THE FUND WOULD BE WORKING WITH THE CENTRAL BANK.

4. AMBASSADOR VANCE WILL RECALL THAT BISENGIMANA'S PITCH FOR A HIGH LEVEL DELEGATION WAS COINED IN TERMS OF THE REQUIREMENT (AS BISENGIMAN SAW IT) THAT THE FUND DEAL WITH THE PRESIDENCY AND NOT WITH THE CENTRAL BANK. BISENGIMANA ALSO SAID THAT IT WAS SAMBWA WHO HAD QUEERED THE IMF SCENARIO IN THE FIRST PLACE BY TELLING MOBUTU THAT THE FUND FWOULD INSIST UPON DEVLUATION AS A FIRST STEP. SAMBWA KNEW BETTER, AND I CANNOT BELIEVE HE WOULD HAVE SABOTAGED HIS OWN TACTICS WHICH WERE DESIGNED TO RETAIN HIS JOB.. ANOTHER PERTINENT PIECE OF INFORMATION IS THAT AS OF TODAY, SAMBWA IS UNAWARE THAT THERE IS ANY MOVEMENT TOWARD THE FUND. IN ADDITION, SAMBWA TOLD A MUTAL FRIEND THAT AS LATE AS THE EVENING OF JULY 24 HE HAD MADE AN IMPASSIONED PLEA TO MOBUTU FOR THE IMF SCENARIO--AND THAT MOBUTU HAD TURNED HIM DOWN COLD.

5. MY INTERPRETATION OF ALL THIS IS THAT BISENGIMANA IS WILLING TO GO WITH THE FUND--BUT PREFERS TO WAIT UNTIL SAMBWA LEAVES THE SCENE IN SEPTEMBER. (MOBUTU MAY AGREE WITH BISENGIMANA ON THIS, BUT I UNDERSTAND SAMBWA IS BRINGING PRESSURE ON THE PRESIDENT THROUGH LITHO AND MAMA, SO THE PRESIDENT'S VOTE IS PROBABLY NOT YET CAST). THIS WOULD EXPLAIN, INTER ALIA, BISENGIMANA'S PRETENDING CONFIDENTIAL

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TO ME AT OUR LAST MEETING THAT HE HAD MISUNDERSTOOD THE AGREEMENT WITH AMBASSADOR VANCE AND THOUGHT HE WAS WAITING FOR FURTHER WORD FROM WASHINGTON.

6. IF I'AM RIGHT, BISENGIMANA IS PLAYING FOR TIME AND DOES NOT WANT THE FUND OUT HERE BEFORE SEPTEMBER. AND IF I'M RIGHT, AMBASSADOR VANCE'S MESSAGE PER REFTTEL WOULD TEND TO PLAY INTO HIS HAND, SINCE BY FAILING--FOR ONE REASON OR

ANOTHER--TO GET THE INVITATION OFF IMMEDIATELY, IT WOULD BE UNDERSTOOD THAT THE FUND COULD NOT COME BEFORE MID-SEPTEMBER. I DO NOT BELIEVE WE HAVE THAT MUCH TIME BEFORE THE BANKS LOSE THEIR PATIENCE.

7. HOW CAN WE PHRASE THE MESSAGE TO BISENGIMANA IN A WAY THAT WILL PUSH HIM TO GET THE INVITATION OFF TOUTE DE SUITE AND THE MISSION HERE IN AUGSUT--WHILE AT THE SAME TIME NOT PUT HIM THE POSITION OF BELIEVING THAT SUCH A MOVE WOULD GIVE THE BALL GAME WAY TO SAMBWA? SEVERAL IDEAS OCCUR TO ME:

A. SAMBWA (AS PART OF HIS CAMPAIGN TO BOLSTER HIS OWN PRESTIGE) HAS ORGANIZED A MEETING IN KINSHASA OF ALL AFRICAN CENTRAL BANK GOVERNORS TO BE HELD ON AUGUST 18. THE CENTRAL BANKERS WILL PROBABLY TRY TO CONCERT THEIR POSITION IN VIEW OF THE IMF/IBRD MEETINGS. COULD WE ARRANGE IT SO THAT DALE WOULD OFFER TO COME TO ZAIRE TO SAY A FEW WORDS AT THE CENTRAL BANK GOVERNORS' MEETING? IF SO, HE, DINI AND THE REST OF THE MISSION COULD ARRIVE A FEW DAYS EARLIER--MEET WITH WITH MOBUTU AND QUIETLY BEGIN THEIR WORK. SAMBWA WOULD GET SOME OF THE SPOTLIGHT, BUT BISENGIMANA AND THE PRESIDENCY WOULD GET WHAT THEY WANT--AND THE IMF WOULD NOT BE SETTING A "PRECEDENT." IF THIS IS DO-ABLE, I SHOULD BE AUTHORIZED TO SUGGEST THIS TACTIC TO BISENGIMANA.

B. IF THE FOREGOING CONTAINS UNSURMOUNTABLE PROBLEMS, THEN WE MIGHT WISH TO RE-PHRASE AMBASSADOR VANCE'S MESSAGE TO READ: "I HAVE MET WITH DEPUTY MANAGING DIRECTOR DALE OF THE IMF WHO HAS ASSURED ME THAT THE FUND IS READY TO SEND A HIGH LEVEL DELEGATION TO ZAIRE WHENEVER THE GOVERNMENT OF ZAIRE EXTENDS AN INVITATION. THE FUND UNDERSTANDS THAT ITS MISSION IS TO MEET WITH PRESIDENT MOBUTU AND WORK WITH THE PRESIDENCY. AS WE AGREED, YOU

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SHOULD IMMEDIATELY SEND AN INVITATION TO THE FUND TO VISIT ZAIRE ON A DATE AT TH FUND'S CONVENIENCE DURING THE FIRST TWO WEEKS OF AUGUST. I CANNOT OVER-EMPHASIZE THE IMPORTANCE OF MOVING QUICKLY AND WITHIN THIS TIME FRAME. IF WE WAIT TOO LONG, THE IMF/IBRD MEETINGS SCHEDULED FOR THE FIRST WEEK IN SEPTEMBER WILL MONOPOLIZE THE ENERGIES OF THE FUND AND THEY WILL NOT BE ABLE TO SEND A MISSION UNTIL MUCH LATER. I DO NOT BELIEVE WE CAN HOLD THE LINE WITH THE PRIVATE BANKS FOR THAT LONG--IN THE ABSENCE OF A CLEAR SIGNAL THAT THE IMF HAS BEGUN CONSULTATIONS WITH YOU." I HAVE NO PRIDE OF AUTHORSHIP, BUT IF THIS OPTION IS CHOSEN, IT SHOULD MAINTAIN THE ESSENTIAL ELEMENTS OF (1) THAT THE FUND UNDERSTANDS THE NEED TO DEAL WITH THE PRESIDENCY (AT LEAST AT FIRST) AND (2) THAT THE INVITATION SHOULD CALL FOR THE FUND WITHIN THE FIRST TWO

WEEKS OF AUGUST.

8. SINCE THERE IS AN OFF CHANCE THAT BISENGIMAN MAY  
CALL ME TO SEEM HIM TODAY. I WOULD APPRECIATE YOUR COMMENTS  
BY RETURN NIACT IMMEDIATE.  
WALKER

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